

MINORITY BUSINESS DEVELOPMENT AGENCY

The Minority Business Development Agency (MBDA) has the lead role in the Federal Government of coordinating all minority business programs. The Agency provides access to market and resource opportunities through a variety of direct and indirect business assistance services.

For FY 2001, MBDA will continue to define its program strategy through goals and objectives that promote job creation, economic growth and sustainable development for the growing minority business population in the United States. These goals are:

Goal 1: Improve opportunities for minority-owned businesses to gain access to the marketplace. To accomplish this goal, MBDA will:

- provide electronic access to growth markets by automated matching of firm capabilities with public and private sector opportunities;
- promote and expand opportunities for minority-owned businesses in the global marketplace;
- assist minority-owned businesses to identify and commercialize new technologies that offer unique potential for business success;
- advocate and increase the use of electronic commerce by minority-owned businesses; and
- provide management and technical assistance resources electronically for use by local, state and non-profit organizations.

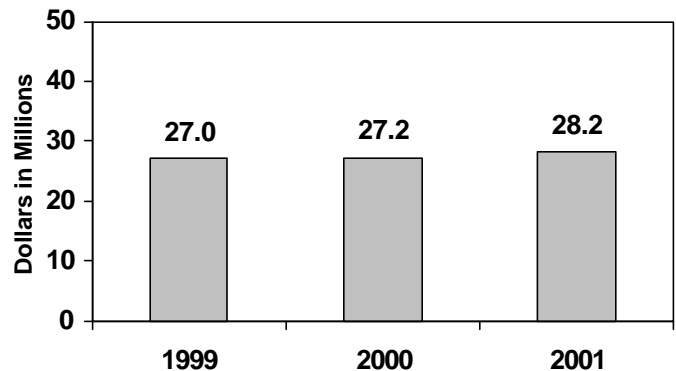
Goal 2: Improve opportunities for minority-owned businesses to pursue financing. MBDA will:

- establish an electronic information clearing house of growth opportunities and business development resources for minority-owned businesses and those engaged in business development activities; and
- increase the availability of financial capital for firms expanding into new or growing markets.

The goals and objectives listed above support the Department's strategic goal involving promotion of economic growth.



MBDA Funding



MBDA plans to use the Internet as a vehicle to establish an information clearinghouse and National referral center for minority-owned businesses of any size, to access the network of public and private business development resources. The Agency will also expand the automated capabilities of matching firms with contracting opportunities.

MBDA will continue to use the Business Development Centers (BDCs), Native American Business Development Centers (NABDCs), and Minority Business Opportunity Committees (MBOCs) to provide management and technical assistance. The MBDCs are a crucial part of the Internet outreach program because the new Geographic Business Information system will be available through both the Internet and BDCs. The BDCs will provide more in-depth information and assistance. MBDA is not requesting increases in funding for the BDC network.

MBDA Performance Measures

Key performance indicators that demonstrate MBDA's ability to improve minority-owned business access to the marketplace and financing include: 1) the number and dollar value of contracts awarded, and 2) the number and dollar value of financing packages received.

The performance indicators focus on measuring outputs that will guide the agency toward meeting the goals listed above. The performance measures will continue to evolve over time, as MBDA and its programs, the Department of Commerce, and the Federal Government as a whole, continue to refine and enhance their capacities to develop performance measures, to use performance measurement as a key management tool, and implement the GPRA. A more detailed presentation of goals, objectives, and performance measures is found in the Department's Annual Performance Plan and MBDA's budget justification.

SUMMARY OF APPROPRIATIONS

(Dollars in Thousands)

Funding Levels

Appropriation	<u>1999</u>	<u>2000</u>	2001 <u>Estimate</u>	Increase <u>(Decrease)</u>
Minority Business Development	\$27,000	\$27,221	\$28,156	\$935

PERMANENT POSITIONS

Minority Business Development	133	133	133	0
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HIGHLIGHTS OF BUDGET CHANGES

APPROPRIATION: Minority Business Development

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
2000 Enacted			133	\$27,221
Adjustments to Base				
<u>Transfers</u>				
Transfer of CAMS to NIST/FARS				(68)
Transfer of GA Security from bureaus				(24)
<u>Other Changes</u>				
2000 Pay raise		\$106		
2001 Pay raise		188		
Payment to the Working Capital Fund		19		
Within-grade step increases		40		
One less compensable day		(26)		
Civil Service Retirement System(CSRS)		1		
Federal Employees' Retirement System(FERS)		(1)		
Federal Insurance Contributions Act (FICA) -OASDI		(1)		
Health insurance		49		
Employees' Compensation Fund		(31)		
Travel		11		
Rent payments to GSA		33		
Printing and reproduction		3		
Other services:				
Working Capital Fund		13		
Executive Development and Leadership Training		15		
Commerce Administrative Management System (CAMS)		44		
General Pricing Level Adjustments				
Communications, Utilities, & misc.		1		
Other services		59		
Supplies		1		
Equipment		3		
Subtotal, other cost changes			0	527
TOTAL, ADJUSTMENTS TO BASE			0	435
2001 Base			133	27,656
Program Changes			0	500
2001 APPROPRIATION			133	28,156

Comparison by Activity

	2000 Currently Avail		2001 Base		2001 Estimate		Increase / Decrease	
	Perm Pos	Amount	Perm Pos	Amount	Perm Pos	Amount	Perm Pos	Amount
DIRECT OBLIGATIONS								
Business Development	51	\$18,209	51	\$16,570	51	\$16,570	0	\$0
Advocacy, Research & Information	82	\$12,140	82	\$11,086	82	\$11,586	0	500
TOTAL DIRECT OBLIGATIONS	133	30,349	133	27,656	133	28,156	0	500
REIMBURSABLE OBLIGATIONS		400		475		475	0	0
TOTAL OBLIGATIONS	133	30,749	133	28,131	133	28,631	0	500
FINANCING								
Unobligated balance, start of year		(3,128)						
Offsetting collections from:								
Federal funds		(400)				(475)		
Non-Federal sources								
Subtotal, financing	0	(3,528)			0	(475)		
TOTAL BUDGET AUTHORITY	133	27,221			133	28,156		
Transferred from other accounts	0	0			0	0		
TOTAL APPROPRIATION	133	27,221			133	28,156		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	Permanent Positions	Amount	Permanent Positions	Amount
<u>Minority Business Development</u>	82	\$11,086	+0	+\$500

Phoenix Database Expansion

Funding is requested to expand and maintain the Phoenix database system. This increase would enable MBDA to expand the data entry capability to include its 5 regional offices, upgrade the system and expand the number of records in the system by 250,000 names. The database contains over 40,000 minority businesses, drawn from databases of minority businesses maintained by State and local governments. The database is essential to MBDA in providing information to assist minority businesses, and in accumulating performance results. The Phoenix database system contains such features as automatic matching of minority businesses with business opportunities, and an electronic gateway to other websites that can link minority businesses, policy makers and business development practitioners to statistical information, news events, resources and market opportunities that are essential for business growth.